



State of Louisiana
DIVISION OF ADMINISTRATION
OFFICE OF HUMAN RESOURCES

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DIVISION OF ADMINISTRATION

PERSONNEL POLICY NO. 26

EFFECTIVE DATE: May 16, 1994; Revised: 10/17/03

SUBJECT: Performance Planning and Review (PPR) and Merit Increases

AUTHORIZATION: Whitman J. Kling, Jr., Deputy Undersecretary

I. POLICY:

In accordance with Civil Service Rules contained in Chapter 10, the performance of each classified employee shall be appraised by the appropriate supervisory personnel in a timely fashion and on a regular basis.

Merit increases may be granted at the discretion of the appointing authority if warranted by the satisfactory job performance of the employee and if funds are available.

Unless extraordinary circumstances occur, merit increases are 4% of the employee's pay rate, not to exceed the maximum of the pay range established by Civil Service for the employee's job title.

II. PURPOSE:

To set forth rules governing merit increases and performance appraisals.

III. APPLICABILITY:

This policy shall be applicable to all classified employees and unclassified employees who supervise classified employees, in all sections of the Division of Administration (DOA), both appropriated and ancillary.

IV. DEFINITIONS:

- A. Performance Expectations - information which clearly communicates to the employee what conditions or results constitute satisfactory work performance.

1. Performance expectations must be **measurable** (measures may include dollars, number of items, percentages, etc.), must be **attainable**, (i.e., within the employee's and the organization's reach considering internal and external business constraints) and may include a **time frame for accomplishment** of the expectations.
2. Performance expectations are ideally **given at the beginning of the work effort**, however, the expectations may change as the work effort progresses and, if so, the **change must be communicated** to the employee.
3. The employee must be told **what resources**, including a time constraint if applicable, are available to him to accomplish the expectations.

- B. Performance Appraisal Rating - the official, overall rating of the performance of an employee for a specific period of time.

The overall rating is a calculation based on the individual ratings for each applicable performance factor, using the following ratings: "Outstanding," "Exceeds Requirements," "Meets Requirements," "Needs Improvement," "Poor."

- C. Productivity File (known also as Supervisory File or Employee Work File) - the file maintained by the immediate supervisor, independent of any files maintained by the Office of Human Resources or the Office of Finance and Support Services, in which the supervisor keeps documentation of significant events and behavior concerning the employee's performance, position descriptions, counseling records, performance plans, leave schedules, training records including formal training plans, disciplinary/adverse action backup materials, recognition (attaboys) the employee has received, etc.

Employees have the right to see and initial notes concerning performance or conduct, and may review the contents of their Productivity File upon request.

- D. Planning Session - the official, annual event during which the rating supervisor shall discuss with the employee the factors upon which the employee will be rated and the performance that will be expected during the coming rating period.
- E. Performance Factors - the functions, characteristics and behaviors upon which performance will be rated.

1. Each employee **shall** be rated on the following performance factors: Work Product; Dependability; Cooperativeness; Adaptability; Communication; and Daily Decision Making/Problem Solving.

Note: Compliance with federal and state laws and DOA policies should be rated under “Dependability.”

2. Additionally, each **supervisory** employee **shall** be rated on the following performance factors: Work Group Management And Leadership; and Performance Planning And Review.
3. An employee **may** be rated on any additional performance factor(s) that the rating supervisor considers applicable to the employee's job.

- F. Rating supervisor - the immediate supervisor will be the rating supervisor unless otherwise designated by the section head or appointing authority.

V. RESPONSIBILITY:

DEPUTY UNDERSECRETARY/ASSISTANT COMMISSIONERS AND EQUIVALENT are responsible for:

Complying with this policy as it relates to individuals directly supervised.

Assuring that the section heads under their supervision comply with this policy.

Communicating to section heads, managers, and supervisors when he/she wants direct input in the rating for one or more employees prior to the rating becoming official.

SECTION HEADS, MANAGERS and SUPERVISORS are responsible for:

Assuring that each employee under his/her supervision, current and new, is made aware of this policy and its contents as well as any forthcoming revisions.

Assuring that each supervisor communicates to the employees he/she supervises his/her performance expectations (what the supervisor expects the employee to do) within the time frame specified by the PPR process and documents this communication.

Assuring that the performance of each employee is rated on a timely basis and that:

The rating is based on job performance, and

the rating is approved by all appropriate managers prior to its being discussed with the employee, and

the pertinent performance issues are discussed with the employee, and

appropriate documentation is provided for performance issues which have not met expectations.

Assuring that each supervisor has on-going communication with his/her employees regarding performance expectations as well as honest discussions about how the employee is doing.

Assuring that merit increases are not granted automatically, but rather are granted based upon satisfactory job performance and that a recommendation to deny a merit increase is supported by documentation of job performance which is not acceptable.

Assuring that, if supervisors fail to rate employees in a timely manner as required by Civil Service Rule 10, it is noted in the supervisor's PPR.

Assuring that position descriptions (SF-3) for employees are accurate and submitting updated documents through management to the Office of Human Resources when actual duties differ from those recorded on a permanent basis.

EMPLOYEES are responsible for:

Performing the duties outlined in the position description (SF-3) and performance expectations and calling it to the attention of the supervisor when actual duties differ from those on the planning session document and/or the official SF-3.

Following written and verbal instructions from the supervisor as a part of job performance.

Requesting clarification from the supervisor when performance expectations are not understood.

Being aware of his/her anniversary date, and inquiring of supervisors if planning session/rating is not done.

VI. PROCEDURE:

A. Planning Session

1. When to do a Planning Session:

- a. For a **new employee**, the rating supervisor shall conduct a planning session no later than 30 calendar days after the appointment of the new employee.
- b. For a **continuing employee**, a planning session must be done no sooner than 60 days before the anniversary date and no later than 30 days after the anniversary date.
- c. If an employee moves into a position having a different position number and/or significantly different duties, a new planning session must be conducted.
- d. When an employee gets a new rating supervisor or when performance expectations change, a performance planning session may be conducted.
- e. Additional performance planning sessions may also be conducted as the rating supervisor deems appropriate.

2. How to do a Planning Session:

- a. The rating supervisor conducts a formal, private meeting with the employee.
- b. The supervisor and employee review the position description (SF-3) for accuracy and, if it does not accurately describe the duties and responsibilities assigned, the SF-3 is updated and the updated SF-3 is forwarded to the Office of Human Resources.
- c. The rating supervisor defines and communicates the performance factors upon which the employee will be rated and his/her expectations for the employee's production and behavioral performance. Written performance expectations for each applicable factor are reviewed.
- d. The planning document is signed by the supervisor and employee.

- e. The original, signed planning document, is kept in the rating supervisor's productivity file for that employee. A copy must be given to the employee, and a copy of the last sheet of the planning document (the page signed by the employee and rating supervisor), must be forwarded to the Office of Human Resources.

Failure to conduct a proper planning session as described above is a violation of Civil Service Rule 10.

B. Performance Coaching

1. Over the course of the year, the rating supervisor should monitor the performance of the employee based on:
 - a. the expectations as given in the performance planning document,
 - b. the duties outlined in the position description (SF-3), and
 - c. instructions given verbally throughout the year.
2. The rating supervisor should have on-going communications with the employee, providing support – information, resources, training, encouragement. Concerns about performance should be raised as soon as they are recognized to allow the employee to address the issues and change the performance.
3. The rating supervisor must communicate to the employee, on a regular basis, how he/she is doing. This should include positive feedback and negative feedback where appropriate. Both types of performance should be documented in the employee's Productivity File and that documentation is ultimately attached to the PPR Rating Document.

The end of the year rating should never be a surprise to the employee. The employee should have a good idea of what is coming based on the on-going communication which has been facilitated by the rating supervisor throughout the year.

C. Performance Appraisal Rating

1. An official Performance Appraisal Rating should be done:
 - a. For a **new employee** (includes restricted, job appointment) - in the 60 calendar days up to and including the date a new employee first becomes eligible for a merit increase (anniversary date), and

- b. For a **current employee** - in the 60 calendar days up to and including the anniversary date.

Note: An employee must be rated every year, even if that employee has reached the maximum salary for his classification and is not eligible for a merit increase.

An employee who is not rated timely will have the default rating of "Unrated." An "Unrated" rating has the same effects as a "Satisfactory" rating.

- 2. To create an official performance rating, the rating supervisor should:
 - a. Sign and date the completed performance review document, and
 - b. arrange to have a private meeting, a rating session, with the employee during which he/she discusses with the employee the performance rating for the rating period, and
 - c. provide documentation to support any factor rated "Needs Improvement" or "Poor," and
 - d. present the form to the employee to be signed and dated, and
 - e. give the employee a copy of the completed form with his or her official overall rating noted, and
 - f. forward the original, signed PPR to the Office of Human Resources. The rating supervisor and the employee should both keep copies of the PPR in their files.

When an employee is not available, the provisions of this rule shall be satisfied by mailing the completed document to the employee on or before the employee's anniversary date.

The performance rating shall become official when the employee receives a copy. After a performance rating becomes official, only the **reviewer** designated by the appointing authority in accordance with Civil Service Rule 10.13 can change the rating.

- 3. If an employee receives an official rating of "Needs improvement" or "Poor":
 - a. That employee must be rerated at six months from the anniversary date. The rerating may be done up to and including 60 days from the anniversary date. If an employee is recommended for a merit increase at

that time, the merit increase will be effective as of the date of the rerating.

- b. If an employee is not rerated timely, that employee will receive a default rerating of "Unrated." An employee who rerates to "Unrated" will be eligible for, but will not automatically receive, a merit increase. The decision as to whether or not an employee receives a merit increase, as always, lies with the appointing authority.
4. If an employee is unhappy with his/her rating, he/she has 15 calendar days from his/her anniversary date to request a review from the reviewer designated by the appointing authority pursuant to Civil Service Rule 10.13. Procedure for requesting a review may be found in Civil Service Rule 10.13.

NOTE: A review will be granted only if, assuming all questioned factors were decided in employee's favor, the overall rating would be changed (e.g. "Meets Requirements" to "Exceeds Requirements"). If an employee is questioning his/her rating on one factor, and an increase in the factor would not raise the overall rating, the employee's recourse is to write a letter explaining the objection with a request that a copy of the letter be attached to all copies of the PPR.

VII. EXCEPTIONS:

In the event that budgetary constraints prevent implementation of merit increases, performance appraisals will continue to be required.

VIII. QUESTIONS:

Questions should be directed to staff of the Office of Human Resources.